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March 15, 2006

Ref: 394-23423

Honorable James H. Welsh Commissioner of Conservation Office of Conservation P. O. Box 94275 Baton Rouge, Louisiana 70804-4275

Re: Hearing Application for Alternate Well

Cib Carst Zone, Reservoir A, SUB

COQUILLE BAY FIELD, Plaquemines Parish, Louisiana

Applicant: Clayton Williams Energy, Inc.

Dear Mr. Commissioner:

Application is hereby made on behalf of Clayton Williams Energy, Inc. for the calling of a public hearing, after ten days legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters regarding the Cib Carst Zone, Reservoir A, Coquille Bay Field, Plaquemines Parish, Louisiana, for which rules and regulations were established and a drilling and production unit was created by the Office of Conservation Order No. 890-T, effective June 7, 2005.

- To permit applicant, Clayton Williams Energy, Inc. to drill, designate and utilize Clayton Williams Energy, Inc.-State Lease QQ 195 No. 1 Well as an alternate unit well for the CIB C RA SUB, such well to be at the location shown on the plat attached hereto and made a part hereof;
- To confirm Clayton Williams Energy, Inc. as the operator of the CIB C RA SUB;
- 3. To make a specific finding that such proposed alternate unit well is necessary to effectively and efficiently drain a portion of the CIB C RA SUB which cannot be efficiently and economically drained by any other well within the unit;
- 4. To grant a single unit allowable for the CIB C RA SUB and to permit the operator of the unit to produce said unit allowable from the unit well, the proposed alternate unit well, or from both wells at its option;
- 5. To find that, except to the extent contrary to the order granted by the Commissioner of Conservation in connection with the hearing held on this application, the provisions of Office of Conservation No. 890-T shall remain in full force and effect;

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Hon. James H. Welch March 15, 2006 Page -2-

- 6. To provide that the Commissioner of Conservation should be authorized to reclassify the sand and reservoir by supplemental order without the necessity of a public hearing if the producing characteristics of each reservoir changes and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation, and
- 7. To consider such other matters which may be pertinent to this application as shown by the evidence presented at the hearing held on this matter.

The Cib Carst Zone, Reservoir A, Coquille Bay Field, Plaquemines Parish, Louisiana was previously defined in Office of Conservation Order No. 890-T, effective June 7, 2005.

Attached hereto and made a part hereof is a plat outlining the CIB C RA SUB, showing the location of the alternate unit well together with a list of the names and addresses of all interested owners, interested parties and represented parties who are known to the applicant after reasonable search. A reasonable effort was made to ascertain the names and addresses of all such parties.

A copy of the list of the names and addresses of the interested owners, interested parties and represented parties is not being mailed to those parties along with this hearing application. Should any of these parties desire a copy of this list, however, we will be glad to provide one upon request.

Any pertinent data relating to this matter can be obtained at the cost of the requesting party, from Mr. Bill McAlister of Leon Comeaux & Associates, P. O. Box 53922, Lafayette, Louisiana 70505, (337) 233-9839.

Finally, there is enclosed our check on behalf of the applicant in the amount of \$755.00, made payable to the Office of Conservation, which represents the required hearing application fee.

Very truly yours,

BJD:ht Enclosures

cc: Mr. Richard D. Hudson

District Manager, Office of Conservation

Interested Parties, Interested Owners and Represented Parties on attached list

